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Christopher P. Burke

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA

oOo

IN RE

AFFORDABLE PATIOS & SUNROOMS
dba RENO PATIO AND FIREPLACES,

BK-N- 20-50017-BTB
CHAPTER 7

Debtor(s).

Adv. No. 20-

CHRISTOPHER P. BURKE, Chapter
Seven Trustee

ADVERSARY COMPLAINT

Plaintiff,

vs.

AFFORDABLE PATIOS & SUNROOMS
dba RENO PATIO AND FIREPLACES, a
Nevada Corporation; RENO PATIO AND
FIREPLACES, LLC a Nevada limited
liability company, MILL STREET AUTO,
a Fictitious entity registered to RENO
PATIO AND FIREPLACES and
RICHARD TAYLOR, an individual

Defendants.
/

Plaintiff, Christopher P. Burke, Chapter 7 Trustee ("Plaintiff" or "Trustee") for the
bankruptcy estate of Affordable Patios & Sunrooms dba Reno Patio and Fireplaces ("Debtor" or
"Affordable"), by and through undersigned counsel Michael Lehnern, Esq., files the following
Adversary Complaint ("Complaint") against defendants Affordable Patios & Sunrooms dba
Reno Patio and Fireplaces; Reno Patio and Fireplaces, LLC a Nevada limited liability company,
Mill Street Auto, and Richard Taylor:

CONSENT TO FINAL ORDER

1. Pursuant to LR 7008, the Trustee consents to this matter being heard, and to the entry of final orders and judgment, by the above captioned Bankruptcy Court.

JURISDICTION AND VENUE

2. This Court has jurisdiction over this adversary proceeding pursuant to 11 U.S.C. §§105, 541, 542, 544 and 28 U.S.C. §§157(a)-(b) and 1334, and various other applicable provisions of Title 11 of the United States Code (the "Bankruptcy Code"), the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules" or "FRBP"), and the laws of the United States of America.

3. This is a core proceeding, including (without limitation) under 28 U.S.C. §§157(b)(2)(A), (E), and (O).

4. Venue is proper in this Court under 28 U.S.C. §§1408 and 1409.

5. This adversary proceeding is brought under 11 U.S.C. §§105, 541, 542, 544; 28 U.S.C. §§ 2201 and 2202 (the "Declaratory Judgment Act"); and FRBP 7001 and 7065.

PARTIES

6. Debtor is a Nevada corporation, organized on or about April 4, 2003.

7. Defendant Reno Patio & Fireplaces is a Nevada limited liability company organized on or about October 16, 2013.

8. Defendant Richard Taylor is an individual residing in Washoe County, Nevada.

GENERAL ALLEGATIONS

9. The Plaintiff incorporates the allegations contained in the preceding paragraphs as though set forth in full herein.

10. The Debtor filed the instant bankruptcy on January 7, 2020.

11. Debtor, Affordable Patios & Sunrooms, held three contractor's licenses issued by the Nevada State Contractor's Board, License No. 56075, No. 71993, and No. 72332.

1 12. Debtor, Affordable Patios & Sunrooms, on its Nevada contractors licenses
2 claims to do business as Reno Patio & Fireplaces. A copy of the Contractor's License Search
3 Results are attached as Exhibit "1".

4 13. Debtor, Affordable Patios & Sunrooms, held three licenses, which entailed a C-
5 14G contractor's license, which authorized it to do Prefabricated Steel Structures, a C-14H
6 contractor's license which authorized it to do Awnings and Louvres, and a C-39 license
7 authorizing it to Install Heater and a class C-3 authorizing it to do Carpentry Maintenance and
8 Minor Repairs.

9 14. When conducting business Debtor, Affordable Patios & Sunrooms, would have
10 customers sign contracts bearing the following name and address: Reno Patio & Fireplaces, 910
11 Glendale Avenue, Sparks, Nevada 89431.

12 15. On information and belief, none of the contracts between the Debtor and its
13 customers bore the name Affordable Patios & Sunrooms, Inc.

14 16. On or about January 23, 2020 the Nevada State Contractors Board found
15 Affordable Patios & Sunrooms, dba Reno Patio & Fireplaces were in violation of 32 counts,
16 including the failure to comply with the terms of a contract, abandoning construction projects
17 without legal excuse, abandonment of projects when the completed portion is less than payment
18 received, failure to prosecute construction projects with reasonable diligence, diversion of
19 money or property, failure to establish financial responsibility, failure to comply with a notice to
20 correct, bidding in excess of the license limit, substandard workmanship, and failure to comply
21 with a Board request for information. The licenses were revoked. The licensee was fined
22 \$72,750. The Order was entered on February 4, 2020. The Administrative Law Judge Allison,
23 also referred the case to the Washoe County District Attorney's office for possible prosecution.
24 A true and correct copy of that Default Order has been attached as Exhibit "2".

25 17. Reno Patio & Fireplaces, LLC owns the real property located at 910 Glendale
26 Avenue, Sparks, Nevada 89431.

1 18. This property is currently listed for sale with Krch Realty. A copy of the for sale
2 sign has been attached as Exhibit "3".

3 19. On or about January 24, 12020, Krch Realtor, Phillip Sears called the Trustee
4 and stated he had a letter of intent to purchase 910 Glendale and asked the Trustee what
5 information he needed.

6 20. Trustee told Sears what documents he needed.

7 21. After a week of not receiving said documents, the Trustee contacted Sears and
8 asked where the documents were.

9 22. Sears laughed and stated he did not need to provide any documents as 910
10 Glendale was owned by a different entity, Reno Patio and Fireplaces, LLC. To which Trustee
11 responded he may get pulled into court over this deal. Finally, about a week later, and with the
12 help of a subpoena, documents were received from both Krch and Sears.

13 23. Defendant, Richard Taylor has been using Affordable Patios & Sunrooms' bank
14 account for his own personal expenses. Attached as Exhibit "4" is an itemization put together by
15 the Chapter 7 Trustee showing Affordable Patios and Sunrooms paid for child support, dental
16 bills, Sirux XM, iTunes, Playstation network, HOA dues to Somerset, GoDaddy, Direct TV,
17 Quicken Loans Mortgage payments (presumably on the 910 Glendale building or Mr. Taylor's
18 residence), Norman's Rare Guitars, Guitar Center.com, Pay Pal for high heel shoes, Clear
19 Vision and Wingfield Springs Community Association.

20 24. Debtor, Affordable Patios & Sunrooms has registered the name of Reno Patio &
21 Fireplace as its fictitious name. A copy of a Washoe County Fictitious name search has been
22 attached as Exhibit "5".

23 25. Reno Patio & Fireplace, LLC also does business as Mill Street Auto. A copy of
24 a Washoe County Fictitious name search has been attached as Exhibit "6".

25 26. On information and belief, Debtor, Affordable Patios & Sunrooms has funnelled
26 money to Mill Street Auto.

1 27. On information and belief, Debtor, Affordable Patios & Sunrooms, Reno Patio
2 & Fireplaces and Mr. Taylor have commingled assets, including funds received from customers
3 of the Debtor for work never performed.

4 28. On information and belief, Reno Patio & Fireplaces had approximately \$29,000
5 on deposit with Nevada State Bank ("NSB").

6 29. After being appointed as Trustee, NSB called Trustee Burke and spoke with
7 him, informing the Trustee that the funds were assets of Affordable Patios & Sunrooms and
8 property of the bankruptcy estate.

9 30. NSB stated they would forward those funds to Trustee.

10 31. When that did not happen, the Trustee called NSB who had reversed course and
11 stated that the \$29,000 was actually funds of Reno Patio and Fireplace LLC which had a
12 different E.I.N.

13 32. On information and belief, Mr. Taylor went to the bank and withdrew the entire
14 \$29,000, and he has refused to account for it.

15 33. Despite numerous demands by the Trustee, Debtor, Affordable Patios &
16 Sunrooms, Reno Patio & Fireplaces has not turned over financial information which precludes
17 the Trustee from completing his duties under the bankruptcy code. This includes tax returns
18 and bank statements. In addition, only limited information has been provided on assets.

19
20 **FIRST CLAIM FOR RELIEF**
21 **Unfair and Deceptive Practices**

22 34. The Plaintiff incorporates the allegations contained in the preceding paragraphs
23 as though set forth in full herein.

24 35. Pursuant to 11 U.S.C. §323 the Trustee is the representative of the Estate and
25 has the power to file suit on the Debtor's behalf.

26 36. The Customers entered into contracts with the Debtor for various repairs on their
27 homes and real property.
28

1 37. On information and belief, a vast majority of these obligations were consumer
2 debts.

3 38. On information and belief each of the Customers paid Richard Taylor in full for
4 or paid him a deposit for the work to be performed by the Debtor.

5 39. On information and belief, Richard Taylor was the corporate officer responsible
6 for performing the work for the Customers, and that Richard Taylor had control over the
7 deposits that were paid to the Debtor by the Customers.

8 40. Instead of using the deposits to perform the work for the Customers, Richard
9 Taylor converted the funds to his own use and for other purposes.

10 41. NRS 41.600(1) states that an action may be brought by any person who is a
11 victim of consumer fraud.

12 42. NRS 41.600(2)(e) defines consumer fraud as a deceptive trade practice as
13 defined in NRS 598.0915 to 598.0925, inclusive.

14 43. Pursuant to NRS 598.0923(3) a person engages in a deceptive trade practice
15 when it violates a state or federal statute or regulation relating to the sale or lease of goods or
16 services.

17 44. Pursuant to NRS 598.0923(4) a person engages in a deceptive trade practice
18 when it uses coercion, duress or intimidation in a transaction.

19 45. The actions of Richard Taylor in accepting deposits and failing to perform the
20 work violated numerous provisions of Chapter 624 of the Nevada Revised Statutes, including
21 but not limited to NRS 624.3016(1) which prohibits any fraudulent or deceitful act committed in
22 the capacity of a contractor, including, without limitation, misrepresentation or the omission of a
23 material fact and NRS 624.3012(1) which prohibits the diversion of money or property received
24 for the completion of a specific construction project. These actions of Richard Taylor rendered
25 the Debtor liable under NRS 41.600 to each of the Customers, and that as a result, the Debtor
26 has the right to seek indemnification and contribution for the actions of Richard Taylor that
27 rendered the Debtor liable to said Customers.
28

THIRD CLAIM FOR RELIEF

Embezzlement

57. The Plaintiff incorporates the allegations contained in the preceding paragraphs as though set forth in full herein.

58. The Customers entered into contracts with the Debtor for various repairs on their homes and real property.

59. On information and belief each of the Customers paid Richard Taylor in full for or paid him a deposit for the work to be performed by the Debtor. These funds were property of the Debtor.

60. The Debtor authorized Richard Taylor to collect Customer deposits on its behalf and in so doing, the Debtor placed the deposits in the possession of Mr. Taylor, who was a non-owner of the funds.

61. While in possession of the Customer deposits, Richard Taylor appropriated the deposits to a use other than which they were entrusted.

62. Richard Taylor's misappropriation of the Customer deposits were performed under circumstances indicating fraud.

63. As a result of these actions, the Plaintiff is entitled to damages according to proof at the time of trial.

FOURTH CLAIM FOR RELIEF

Constructive Trust

64. The Plaintiff incorporates the allegations contained in the preceding paragraphs as though set forth in full herein.

65. Pursuant to 11 U.S.C. §323 the Trustee is the representative of the Estate and has the power to file suit on the Debtor's behalf.

66. Pursuant to 11 U.S.C. §544 the Trustee has the hypothetical powers under state law of one who has:

- (a) a judicial lien on all property on which a creditor on a simple contract could have obtained such a judicial lien, whether or not such a creditor exists;

- 1 (b) filed an execution against the debtor that is returned unsatisfied at such
2 time, whether or not such a creditor exists; and
3 (c) the rights of a bona fide purchaser of real property, whether or not such a
4 purchaser exists

5 67. Pursuant to both 11 U.S.C. §323 and 11 U.S.C. §544 the Trustee is entitled to
6 the state law remedy of a constructive trust as set forth within this claim.

7 68. On information and belief, Richard Taylor has engaged in a pattern and practice
8 of defrauding the Debtor's Customers and converting or embezzling the Customer deposits,
9 which was property of the Debtor, for his own use.

10 69. Affordable Patios & Sunrooms, Inc; Reno Patio & Fireplaces, LLC and Mill
11 Street Auto were influenced and governed by Richard Taylor.

12 70. Affordable Patios & Sunrooms, Inc; Reno Patio & Fireplaces, LLC; Mill Street
13 Auto and Richard Taylor had such unity of interest and ownership that each entity and Mr.
14 Taylor are inseparable from each other.

15 71. Adherence to the notion that Affordable Patios & Sunrooms, Inc; Reno Patio &
16 Fireplaces, LLC and Mill Street Auto are entities separate from Mr. Taylor would sanction fraud
17 or promote a manifest injustice.

18 72. Mr. Taylor caused Affordable Patios and Sunrooms to pay for child support,
19 dental bills, Sirux XM, iTunes, Playstation network, HOA dues to Somerset, GoDaddy, Direct
20 TV, Quicken Loans Mortgage payments (presumably on the 910 Glendale building or Mr.
21 Taylor's residence), Norman's Rare Guitars, Guitar Center.com, Pay Pal for high heel shoes,
22 Clear Vision and Wingfield Springs Community Association.

23 73. Based upon this commingling of assets, unity of interest and absolute control
24 manifested by Mr. Taylor, the circumstances under which the 910 Glendale property was
25 acquired by Reno Patio & Fireplaces, LLC makes it inequitable that it should be retained by this
26 entity which holds the legal title.

1 74. As the individual that controlled both Affordable Patios & Sunrooms, Inc. and
2 Reno Patio & Fireplaces, LLC, a confidential relationship existed between Mr. Taylor and both
3 entities.

4 75. The imposition of a constructive trust on the 910 Glendale property is necessary
5 to prevent a failure of justice.

6 76. Reno Patio & Fireplaces, LLC, as the holder of legal title to the Glendale
7 property is deemed to be a trustee of that property for the benefit of the bankruptcy estate which
8 in good conscience is entitled to it.

9 77. The Plaintiff is entitled to the equitable remedy of a constructive trust with
10 respect to the Glendale property.

11 **FIFTH CLAIM FOR RELIEF**

12 **Alter Ego**

13 78. The Plaintiff incorporates the allegations contained in the preceding paragraphs
14 as though set forth in full herein.

15 79. Pursuant to 11 U.S.C. §323 the Trustee is the representative of the Estate and
16 has the power to file suit on the Debtor's behalf.

17 80. Pursuant to 11 U.S.C. §544 the Trustee has the hypothetical powers under state
18 law of one who has:

- 19 (a) a judicial lien on all property on which a creditor on a simple contract could
20 have obtained such a judicial lien, whether or not such a creditor exists;
21 (b) filed an execution against the debtor that is returned unsatisfied at such
22 time, whether or not such a creditor exists; and
23 (c) the rights of a bona fide purchaser of real property, whether or not such a
24 purchaser exists

25 81. Pursuant to both 11 U.S.C. §323 and 11 U.S.C. §544 the Trustee is entitled to
26 the state law remedy of alter ego rights as set forth within this claim.

27 82. The Customers entered into contracts with the Debtor for various repairs on their
28 homes and real property.

1 83. On information and belief each of the Customers paid Richard Taylor in full for
2 or paid him a deposit for the work to be performed by the Debtor.

3 84. On information and belief, Richard Taylor was the individual responsible for
4 performing the work for the Customers, and that Richard Taylor had control over the deposits
5 that were paid to the Debtor by the Customers. These funds were property of the Debtor.

6 85. Instead of using the deposits to perform the work for the Customers, Richard
7 Taylor converted the funds to his own use and for other purposes.

8 86. Richard Taylor was the individual that controlled, influenced and governed both
9 Affordable Patios & Sunrooms, Inc. and Reno Patio & Fireplaces, LLC.

10 87. By taking dominion and control over the Customer deposits, there was a unity of
11 interest and ownership between Mr. Taylor; Affordable Patios & Sunrooms, Inc; Reno Patio &
12 Fireplaces, LLC and Mill Street Auto so that one is inseparable from the other.

13 88. Adherence to the notion of Affordable Patios & Sunrooms, Inc; Reno Patio &
14 Fireplaces, LLC and Mill Street Auto being entities separate from Mr. Taylor would sanction
15 fraud or promote a manifest injustice

16 89. The Plaintiff is entitled to declaratory relief that Mr. Taylor; Affordable Patios &
17 Sunrooms, Inc; Reno Patio & Fireplaces, LLC and Mill Street Auto are the alter egos of each
18 other.

19 SIXTH CLAIM FOR RELIEF

20 **Substantive Consolidation**

21 90. The Plaintiff incorporates the allegations contained in the preceding paragraphs
22 as though set forth in full herein.

23 91. The Customers entered into contracts with the Debtor for various repairs on their
24 homes and real property.

25 92. On information and belief each of the Customers paid Richard Taylor in full for
26 or paid him a deposit for the work to be performed by the Debtor.

1 93. On information and belief, Richard Taylor was the individual responsible for
2 performing the work for the Customers, and that Richard Taylor had control over the deposits
3 that were paid to the Debtor by the Customers. These funds were property of the Debtor.

4 94. Instead of using the deposits to perform the work for the Customers, Richard
5 Taylor converted the funds to his own use and for other purposes.

6 95. Richard Taylor was the individual that controlled, influenced and governed both
7 Affordable Patios & Sunrooms, Inc. and Reno Patio & Fireplaces, LLC.

8 96. Instead of using the deposits to perform the work for the Customers, Richard
9 Taylor converted the funds to his own use and for other purposes.

10 97. Richard Taylor, Affordable Patios & Sunrooms, Inc; Reno Patio & Fireplaces,
11 LLC and Mill Street Auto dealt with Customers as a single economic unit.

12 98. The Customers did not rely upon the separate identity of Richard Taylor,
13 Affordable Patios & Sunrooms, Inc; Reno Patio & Fireplaces, LLC and Mill Street Auto when
14 extending credit.

15 99. The financial affairs of Richard Taylor, Affordable Patios & Sunrooms, Inc;
16 Reno Patio & Fireplaces, LLC and Mill Street Auto are so entangled that consolidation will
17 benefit all creditors.

18 100. The affairs between Affordable Patios & Sunrooms, Inc; Reno Patio &
19 Fireplaces, LLC and Mill Street Auto are so entangled that unraveling them would require
20 significant time, effort, and expense, and there was no realistic assurance that the result would
21 be accurate or without potential injury.

22 101. The Debtor, Reno Patio & Fireplaces, LLC and Mill Street Auto were but
23 instrumentalities of Richard Taylor with no separate existence of their own.

24 102. There existed a unity of interest and ownership common to the Debtor, Reno
25 Patio & Fireplaces, LLC and Mill Street Auto and Richard Taylor such that there was
26 commingling of assets.
27
28

1 114. Richard Taylor's actions in using the deposits for his own use instead of
2 applying them for the purpose for which they were given to the Debtor were a breach of the
3 fiduciary duty he owed to the Debtor.

4 115. As a direct and proximate result of this breach of fiduciary duty, the Plaintiff is
5 entitled to recover damages according to proof at the time of trial.

6 **EIGHTH CLAIM FOR RELIEF**

7 **Fraudulent Transfer 11 U.S.C. §548(a)(1)**

8 116. The Plaintiff incorporates the allegations contained in the preceding paragraphs
9 as though set forth in full herein.

10 117. The Customers entered into contracts with the Debtor for various repairs on their
11 homes and real property.

12 118. On information and belief each of the Customers paid Richard Taylor in full for
13 or paid him a deposit for the work to be performed by the Debtor.

14 119. On information and belief, Richard Taylor was the Debtor's agent responsible
15 for performing the work for the Customers, and that Richard Taylor had control over the
16 deposits that were paid to the Debtor by the Customers.

17 120. Instead of using the deposits to perform the work for the Customers, Richard
18 Taylor converted the funds to his own use and for other purposes.

19 121. The Customer deposits were property of the Debtor when paid by each
20 Customer to Richard Taylor or to the Debtor.

21 122. On or after Richard Taylor transferred property of the Debtor to himself and
22 possibly other entities or persons with actual intent to hinder, delay, or defraud any entity to
23 which the debtor was or became, on or after the date that such transfer was made or such
24 obligation was incurred, indebted.

25 123. That by reason of the foregoing, Plaintiff may avoid and recover said transfers
26 pursuant to Section 548(a)(1) of Title 11, United States Code.

27 **NINTH CLAIM FOR RELIEF**

28 **Fraudulent Transfer 11 U.S.C. §548(a)(2)**

1 124. The Plaintiff incorporates the allegations contained in the preceding paragraphs
2 as though set forth in full herein.

3 125. The Customers entered into contracts with the Debtor for various repairs on their
4 homes and real property.

5 126. On information and belief each of the Customers paid Richard Taylor in full for
6 or paid him a deposit for the work to be performed by the Debtor.

7 127. On information and belief, Richard Taylor was the Debtor's agent responsible
8 for performing the work for the Customers, and that Richard Taylor had control over the
9 deposits that were paid to the Debtor by the Customers.

10 128. Instead of using the deposits to perform the work for the Customers, Richard
11 Taylor converted the funds to his own use and for other purposes.

12 129. The Customer deposits were property of the Debtor when paid by each
13 Customer to Richard Taylor or to the Debtor.

14 130. On or after Richard Taylor transferred property of the Debtor to himself and
15 possibly other entities or persons.

16 131. At the time Richard Taylor caused these transfers to be made by the Debtor, the
17 Debtor received less than a reasonably equivalent value in exchange for such transfer or
18 obligation.

19 132. At the time Richard Taylor caused these transfers to be made by the Debtor, the
20 Debtor was insolvent on the date that such transfer was made, or became insolvent as a result of
21 such transfer.

22 133. That by reason of the foregoing, Plaintiff may avoid and recover said transfers
23 pursuant to Section 548(a)(2) of Title 11, United States Code.

24 **TENTH CLAIM FOR RELIEF**

25 **Fraudulent Transfer NRS 112.140 et. seq.**

26 134. The Plaintiff incorporates the allegations contained in the preceding paragraphs
27 as though set forth in full herein.

1 135. Under 11 U.S.C. §544(b)(1) the trustee may avoid any transfer of an interest of
2 the debtor in property or any obligation incurred by the debtor that is voidable under applicable
3 law by a creditor holding an unsecured claim that is allowable under section 502 of this title.

4 136. Pursuant to 11 U.S.C. §323 the Trustee is the representative of the Estate and
5 has the power to file suit on the Debtor's behalf.

6 137. The Customers entered into contracts with the Debtor for various repairs on their
7 homes and real property.

8 134. On information and belief each of the Customers paid Richard Taylor in full for
9 or paid him a deposit for the work to be performed by the Debtor.

10 135. On information and belief, Richard Taylor was the Debtor's agent responsible
11 for performing the work for the Customers, and that Richard Taylor had control over the
12 deposits that were paid to the Debtor by the Customers.

13 136. Instead of using the deposits to perform the work for the Customers, Richard
14 Taylor converted the funds to his own use and for other purposes.

15 137. The Customer deposits were property of the Debtor when paid by each
16 Customer to Richard Taylor or to the Debtor.

17 138. On or after Richard Taylor transferred property of the Debtor to himself and
18 possibly other entities or persons.

19 139. The transfers referenced in the preceding paragraph were made with actual intent
20 to hinder, delay, or defraud any entity to which the debtor was or became, on or after the date
21 that such transfer was made or such obligation was incurred, indebted.

22 140. At the time Richard Taylor caused these transfers to be made by the Debtor, the
23 Debtor received less than a reasonably equivalent value in exchange for such transfer or
24 obligation.

25 141. At the time Richard Taylor caused these transfers to be made by the Debtor, the
26 Debtor was insolvent on the date that such transfer was made, or became insolvent as a result of
27 such transfer.
28

1 142. That by reason of the foregoing, Plaintiff may avoid and recover said transfer
2 pursuant to NRS 112.140 et. seq. and 11 U.S.C. §544.

3 ELEVENTH CLAIM FOR RELIEF

4 **Preference 11 U.S.C. §547**

5 143. The Plaintiff incorporates the allegations contained in the preceding paragraphs
6 as though set forth in full herein.

7 144. Richard Taylor is an insider of the Debtor as that term is defined by 11 U.S.C.
8 §101(31).

9 145. On information and belief, the Debtor was indebted to Richard Taylor.

10 146. Within the one year period prior to the Debtor filing bankruptcy, Richard Taylor
11 received payments of unknown amounts from the Debtor.

12 147. These transfers were made while the Debtor was insolvent.

13 148. These transfers were made on or within one year before the filing of the petition
14 herein.

15 149. These transfers enabled Richard Taylor to receive more money than he would
16 have received had this been a case under Chapter 7 of Title 11, United States Code, had such
17 transfer not been made and said Defendant received payment of the Debtor's indebtedness to the
18 extent provided by the provisions of said Title 11.

19 150. That by reason of the foregoing, Plaintiff may avoid and recover said transfers
20 pursuant to Section 547(b) of Title 11, United States Code.

21 TWELFTH CLAIM FOR RELIEF

22 **Turnover 11 U.S.C. §542**

23 151. The Plaintiff incorporates the allegations contained in the preceding paragraphs
24 as though set forth in full herein.

25 152. On July 21, 2016 the Debtor owned or had an interest in the real property located
26 at 910 Glendale Avenue.

27 153. The Glendale property is property of the Estate that the trustee may use, sell, or
28 lease under section 363 of this title.

154. On information and belief, Richard Taylor and/or Reno Patio & Fireplaces, LLC has access to or is in possession of the Glendale property.

155. Pursuant to 11 U.S.C. §542(a) Richard Taylor is required to deliver to the trustee, and account for, such property or the value of said Vehicles.

156. The Plaintiff is entitled to an Order directing Richard Taylor and/or Reno Patio & Fireplaces, LLC to deliver the Glendale property to the Trustee and account for said property.

THIRTEENTH CLAIM FOR RELIEF

11 U.S.C. §550

157. The Plaintiff incorporates the allegations contained in the preceding paragraphs as though set forth in full herein.

158. That by reason of the foregoing, Plaintiff may recover, for the benefit of the estate, the property transferred, or, if the Court so orders, the value of such property, from the Transferees pursuant to the provisions of 11 U.S.C. §550(a).

WHEREFORE, Plaintiff prays for Judgment against the Defendants above named as follows:

1. On the FIRST claim for relief, actual damages, punitive damages not to exceed \$300,000.00, attorney fees and costs of suit.

2. On the SECOND claim for relief, damages according to proof at the time of trial.

3. On the THIRD claim for relief, damages according to proof at the time of trial.

4. On the FOURTH claim for relief, the equitable remedy of a constructive trust with respect to the Glendale property.

5. On the FIFTH claim for relief, declaratory relief that Mr. Taylor; Affordable Patios & Sunrooms, Inc; Reno Patio & Fireplaces, LLC and Mill Street Auto are the alter egos of each other.

6. On the SIXTH claim for relief, an order substantively consolidating the debts and assets of the Debtor, Reno Patio & Fireplaces, LLC and Mill Street Auto and Richard Taylor and for the turnover of Mr. Taylor's non-exempt assets as well as all of the assets of Reno Patio & Fireplaces, LLC, including but not limited to, the 910 Glendale property.

1 7. On the SEVENTH claim for relief, damages according to proof at the time of
2 trial.

3 8. On the EIGHTH claim for relief, for avoidance and recovery said transfers.

4 9. On the NINTH claim for relief, for avoidance and recovery said transfers.

5 10. On the TENTH claim for relief, for avoidance and recovery said transfers.

6 11. On the ELEVENTH claim for relief, for avoidance and recovery said transfers.

7 12. On the TWELFTH claim for relief, an Order directing Richard Taylor and/or
8 Reno Patio & Fireplaces, LLC to deliver the Glendale property to the Trustee and account for
9 said property.

10 13. On the THIRTEENTH claim for relief, recovery of the property transferred, or
11 the value of such property from the Transferees.

12 Dated: This 14 day of February, 2020

13
14
15 By: _____

16 Michael Lehnert, Esq.
17 429 Marsh Ave.
18 Reno, Nevada 89509
19 Nevada Bar Number 003331
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Exhibit List

Exhibit 1	Contractor's License Search Results
Exhibit 2	Administrative Law Judge's Default Order
Exhibit 3	Krch Realty For Sale Sign
Exhibit 4	Chapter 7 Trustee Bank Statement Summary
Exhibit 5	Affordable Patios & Sunrooms' Fictitious Name Regarding Reno Patio & Fireplace
Exhibit 6	Reno Patio & Fireplace, LLC's Fictitious Name Regarding Mill Street Auto

Exhibit 1

Exhibit 1



Measure up...use licensed contractors.

(<http://www.nscb.nv.gov/>).

License Search Results

Search Criteria

License Number: 56075

Principal Name	Legal Business Name	DBA Name	License Number	NV Business ID	Primary Classification	Status	City	State
	<u>AFFORDABLE</u> <u>PATIOS &</u> <u>SUNROOMS</u>	RENO PATIO & FIREPLACES	0056075	NV20031314127	C14 - Steel Reinforcing and Erection	Suspended	SPARKS	NV

[New Search](#)

2019-12-06 01:14:29 PM

Exhibit 2

Exhibit 2

NEVADA STATE CONTRACTORS BOARD

In the matter of

Affordable Patios & Sunrooms, dba
Reno Patio & Fireplaces,
Richard Garriga Taylor, President and Qualified
Individual,

License Nos. 56075, 71993, 72332,

Respondent(s)

Investigative Case Nos. 30052657, 30052913,
30052935, 30053109, 30053174, 30053176,Default Order

Pursuant to the authority conferred upon it by NRS 624.140 and NRS 624.170, the Nevada State Contractors Board delegated its authority to hear this case to Administrative Law Judge Noah Allison.

The Board alleged thirty-two violations against the Respondent: 1) Failure to comply - NRS 624.301(5), 2) Abandonment - NRS 624.301(2), 3) Abandonment NRS 624.301(1), 4) Failure to prosecute - NRS 624.301(4), 5) Diversion - NRS 624.3012(1), 6) Excess of limit - NRS 624.3015(2), 7) Failure to comply - NRS 624.302(6), 8) Failure to comply - NRS 624.301(5), 9) Abandonment - NRS 624.301(1), 10) Abandonment - NRS 624.301(2), 11) Failure to prosecute - NRS 624.301(4), 12) Diversion - NRS 624.3012(1), 13) Failure to comply - NRS 624.301(5), 14) Abandonment - NRS 624.301(1), 15) Failure to prosecute - NRS 624.301(4), 16) Diversion - NRS 624.3012(1), 17) Failure to comply - NRS 624.302(6), 18) Failure to comply - NRS 624.301(5), 19) Abandonment - NRS 624.301(1), 20) Abandonment - NRS 624.301(2), 21) Failure to prosecute - NRS 624.301(4), 22) Diversion - NRS 624.3012(1), 23) Substandard workmanship - NRS 624.3017(1), 24) Failure to correct - NRS 624.3013(5), 25) Failure to comply - NRS 624.301(5), 26) Abandonment - NRS 624.301(1), 27) Abandonment - NRS 624.301(2), 28) Failure to prosecute - NRS 624.301(4), 29) Diversion - NRS 624.3012(1), 30) Failure to comply - NRS 624.302(6), 31) Financial responsibility - NRS 624.3013(3), and 32) Joint liability - NRS 624.3018(2).

This matter having come before the NSCB on January 22, 2020, on its posted agenda, and the Licensee, Affordable Patios & Sunrooms, dba Reno Patio & Fireplaces, license numbers 56075, 71993 and 72332 was served with a copy of the Notice of Hearing, Complaint and Requirement to Answer, and

1 failing to Answer and/or otherwise defend the Complaint, and good cause appearing, ALJ Allison finds
2 and concludes as follows:

3
4 **1.0 Findings of Fact**

5 1. Reno Patios & Fireplaces ("Respondent") was a licensed contractor in the State of
6 Nevada, license number 56075, Class C-14G (Prefabricated Steel Structures), C-14H (Awnings and
7 Louvres), issued on July 8, 2003, with a \$50,000 monetary license limit.

8 2. License number 56075 is held as a corporation with Richard Garriga Taylor as President
9 and Qualified Individual.

10 3. The license is suspended, summary suspension as of November 19, 2019.

11 4. Respondent was issued license number 71993 Class C-39 (Installing Heaters) issued on
12 October 3, 2008, with a \$50,000 monetary license limit.

13 5. License number 71993 is held as a corporation with Richard Garriga Taylor as President
14 and Qualified Individual.

15 6. The license is cancelled, not renewed as of August 2, 2019.

16 7. Respondent was issued license number 72332 Class C-3 (Carpentry Maintenance and
17 Minor Repairs) issued on December 5, 2008, with a \$200,000 monetary license limit.

18 8. License number 72332 is held as a corporation with Richard Garriga Taylor as President
19 and Qualified Individual.

20 10. The license is suspended, summary suspension as of November 19, 2019.

21 11. The address of record for license numbers 56075, 71993, 72332 is 910 Glendale Avenue,
22 Sparks, Nevada 89431.

23 12. Respondent was served the Notice of Hearing, Complaint and Requirement to Answer to
24 its address of record by certified mail dated December 19, 2019.

25 13. Respondent failed to file an Answer or responsive pleading to the Complaint.

26 14. On or about August 14, 2018, Respondent entered into a written contract with Chen
27 Kwok ("Kwok") for the installation of a patio enclosure located at 275 West Street, Reno, Nevada 89501
28 ("Kwok Project") for a contract amount of \$60,771. Kwok paid Respondent a total of \$21,269.85.

1 15. The Kwok contract stipulated that the work would be done "8 to 10 weeks after
2 02/14/19", which would be April 11, 2019 to April 25, 2019.

3 16. On or about August 27, 2019, Kwok filed a workmanship complaint with the Board
4 against Respondent.

5 17. The work had not been completed.

6 18. Respondent contracted with Kwok for the sum of \$60,771, in excess of the \$50,000 limit
7 of his license.

8 19. On or about October 8, 2019, the Board investigator sent Respondent an opening letter
9 requesting a written response to the allegations by October 22, 2019.

10 20. Respondent did not provide a written response.

11 21. On or about June 18, 2019, Respondent entered into a contract with Lewis Mattice
12 ("Mattice") for the installation of a solid patio cover at 11455 Verazae Drive, Reno, Nevada ("Mattice
13 Project") for a total contract amount of \$9,378. Mattice paid Respondent a total of \$4,689.38 towards the
14 contract amount.

15 22. On or about October 1, 2019, Mattice filed a workmanship complaint with the Board
16 against Respondent.

17 23. Respondent did not obtain the required permit or start any work on the patio enclosure.

18 24. The Mattice project is 0% completed.

19 25. On or about April 29, 2019, Respondent entered into a written contract with John
20 Cossavela ("Cossavela") for the installation of a drop shade at the Cossavela residence located at 445
21 Kathy Terrace, Sparks, Nevada 89436 ("Cossavela Project") for a contract amount of \$1,871. Cossavela
22 paid Respondent a total of \$1,122.60 towards the contract amount.

23 26. Respondent installed various elements of the drop shade through September 4, 2019.

24 27. Cossavela last spoke with Respondent on September 27, 2019.

25 28. There has been no further contact with or from Respondent.

26 29. The Cossavela project remains incomplete.

27 30. On or about October 4, 2019, Cossavela filed a workmanship complaint with the Board
28 against Respondent.

1 31. On or about October 8, 2019, the Board investigator sent Respondent an opening letter
2 requesting a written response to the allegations by October 22, 2019.

3 32. Respondent has not provided a written response.

4 33. On or about September 6, 2018, Respondent entered into a contract with Monique
5 Festinese ("Festinese") for the installation of a patio enclosure at the Festinese residence located at 3347
6 Poco Rey Court, Sparks, Nevada ("Festinese Project") for a total contract amount of \$45,871. Festinese
7 paid Respondent a total of \$29,189.60 towards the contract amount. Festinese is 78 years old.

8 34. Respondent did not obtain the permit or started any work on the patio enclosure.

9 35. The Festinese Project is 0% completed.

10 36. On or about October 24, 2019, Festinese filed a workmanship complaint with the Board
11 against Respondent.

12 37. On or about September 8, 2018, Respondent entered into contract with Leslie
13 Zimmerman ("Zimmerman") for the installation of a new deck and patio cover at Zimmerman residence
14 located at 906 Bates Avenue, Reno, Nevada 89502 in the amount of \$43,811. Zimmerman paid
15 Respondent in full.

16 38. On or about March 1, 2019, the project was substantially completed.

17 39. On or about November 5, 2019, Zimmerman filed a workmanship complaint with the
18 Board against Respondent.

19 40. On or about November 19, 2019, Investigator Gary Hoid conducted a job site meeting at
20 the Zimmerman residence and validated the following workmanship items:

21 ITEM 1: OVERALL DECK: The deck as constructed is not in alignment with the residence.

22 ITEM 2. CENTER BEAM: There is a dent in the material of the center beam over the north
23 vertical post.

24 ITEM 3. SOUTH END VERTICAL POST: The post has twisted causing the decking to crack and
25 separate.

26 ITEM 4. DECK: The perimeter trim is not secured properly and has separated away from each
27 independent piece.
28

1 41. On or about November 19, 2019, the Respondent's licenses were summarily suspended,
2 therefore, he can no longer perform any work.

3 42. Respondent offered no resolution to the workmanship items.

4 43. On or about November 21, 2019, Respondent was issued a Notice to Correct.

5 44. Respondent failed to comply with the Board's Notice to Correct.

6 45. On or about May 31, 2019, Respondent entered into a contract with Kate Hanlon
7 ("Hanlon") for the construction of a patio enclosure wall system to convert an existing pergola into a
8 sunroom at the Hanlon residence located at 1413 Snow Summit Drive, Reno, Nevada 89523 ("Hanlon
9 Project") for a contract amount of \$18,465. Hanlon paid Respondent a total of \$7,386 towards the
10 contract amount.

11 46. The completion date per the contract was to be October 30, 2019.

12 46. No work has been performed on the project.

13 47. On or about October 15, 2019, Hanlon contacted the local building department and was
14 told no permit had been applied for. Hanlon then contacted Respondent and requested a refund of her
15 monies. Respondent agreed and sent her a check for \$5,861.50 leaving a total amount still owed of
16 \$1,524.50.

17 48. On or about November 5, 2019, Hanlon filed a workmanship/abandonment complaint
18 with the Board against Respondent.

19 49. On or about November 12, 2019, Respondent was notified to provide this office copies of
20 the bid, contract and written scope of work, subcontracts, change orders and permits for the project
21 located at 1413 Snow Summit Drive Reno, Nevada.

22 50. This information was to be received by November 22, 2019.

23 51. Respondent failed to provide the requested documents.

24 52. Respondent failed to provide a financial statement or other evidence of his financial
25 responsibility.

26 53. Richard Garriga Taylor is the President, CMS and Trade for Reno Patio & Fireplaces.
27 license numbers 56075, 71993 and 72332.
28

1 2.0 Conclusions of Law

2 The administrative law judge makes the following conclusions of law based upon Nevada law and the
3 findings of fact:

4 1. The Board's administrative proceedings are governed by the Administrative Procedures
5 Act, codified as NRS Chapter 233B, as well as NRS Chapter 624 and Chapter 624 of the Nevada
6 Administrative Code.

7 2. Pursuant to NRS 233B.123, the burden of proof is upon the Board to prove the elements
8 of each cause of action by a preponderance of the evidence standard.

9 3. Pursuant to NRS Chapter 624 and NAC Chapter 624, the Board has jurisdiction to take
10 disciplinary action against a contractor as provided in NRS 624.300 to 624.305, inclusive.

11 First alleged violation: NRS 624.301(5) Failure to comply with terms of a construction contract

12 4. Under NRS 624.301(5), a licensed contractor may be disciplined for failing to comply
13 without legal excuse to comply with the terms of a construction contract.

14 5. Here, credible evidence was provided by the Board's Notice of Hearing and Complaint
15 that Respondent failed to comply with terms of the Kwok construction contract.

16 6. Respondent offered no legal justification for failing to comply.

17 7. Therefore, Respondent violated NRS 624.301(5) and discipline is warranted pursuant to
18 NRS 624.300 and NAC 624.7251.

19 Second alleged violation NRS 624.301(2) Abandonment of a construction project

20 8. Under NRS 624.301(2), a licensed contractor may be disciplined for abandonment of a
21 construction project when the percentage of the project completed is less than the percentage of the total
22 price of the contract paid to the contractor at the time of abandonment.

23 9. Here, credible evidence was provided by the Board's Notice of Hearing and Complaint
24 that Respondent abandoned a construction project when the percentage of the project completed is less
25 than the percentage of the total price of the contract paid to the contractor at the time of abandonment.

26 10. Respondent offered no legal justification for the abandonment of the Kwok project.

27 11. Therefore, Respondent violated NRS 624.301(2) and discipline is warranted pursuant to
28 NRS 624.300 and NAC 624.7251.

1 Third alleged violation: NRS 624.301(1) Abandonment

2 12. Under NRS 624.301(1), a licensed contractor may be disciplined for abandonment
3 without legal excuse of any construction project or operation.

4 13. Here, credible evidence was provided by the Board's Notice of Hearing and Complaint
5 that Respondent abandoned the Kwok project.

6 14. Respondent offered no legal justification for abandonment of the Kwok project.

7 15. Therefore, Respondent violated NRS 624.301(1) and discipline is warranted pursuant to
8 NRS 624.300 and NAC 624.7251.

9 Fourth alleged violation: NRS 624.301(4) Failure to prosecute

10 16. Under NRS 624.301(4), a licensed contractor may be disciplined for failure without legal
11 excuse to prosecute a construction project or operation with reasonable diligence.

12 17. Here, credible evidence was provided by the Board's Notice of Hearing and Complaint
13 that Respondent failed to prosecute the Kwok project with reasonable diligence.

14 18. Respondent offered no legal justification for failure to prosecute the Kwok project with
15 reasonable diligence.

16 19. Therefore, Respondent violated NRS 624.301(4) and discipline is warranted pursuant to
17 NRS 624.300 and NAC 624.7251.

18 Fifth alleged violation: NRS 624.3012(1) Diversion of money

19 20. Under NRS 624.3012(1), a licensed contractor may be disciplined for diverting money or
20 property received for the completion of a specific construction project or for a specified purpose in the
21 completion of any construction project or operation to any other construction project or operation,
22 obligation or purpose.

23 21. Here, credible evidence was provided by the Board's Notice of Hearing and Complaint
24 that Respondent diverted money or property received for the completion of a specific construction
25 project.

26 22. Respondent offered no legal justification for diverting money.

27 23. Therefore, Respondent violated NRS 624.3012(1) and discipline is warranted pursuant to
28 NRS 624.300 and NAC 624.7251.

1 Sixth alleged violation: NRS 624.3015(2) Bidding or contracting in excess of limit

2 24. Under NRS 624.3015(2), a licensed contractor may be disciplined for bidding or
3 contracting for a sum for one construction contract or project in excess of the limit placed on the license
4 by the Board.

5 25. Here, credible evidence was provided by the Board's Notice of Hearing and Complaint
6 that Respondent contracted with Kwok for the sum of \$60,771, in excess of the \$50,000.00 limit of his
7 license.

8 26. Respondent offered no legal justification for contracting in excess of the limit placed on
9 the license by the Board.

10 27. Therefore, Respondent violated NRS 624.3015(2) and discipline is warranted pursuant to
11 NRS 624.300 and NAC 624.7251.

12 Seventh alleged violation: NRS 624.302(6) Failure to comply

13 28. Under NRS 624.302(6), a licensed contractor may be disciplined for failing to comply
14 with a written request by the Board or its designee for information or records, or obstructing or delaying
15 the providing of such information or records.

16 29. Here, credible evidence was provided by the Board's Notice of Hearing and Complaint
17 that Respondent failed to comply with a written request by the Board.

18 30. Respondent offered no legal justification for failing to comply.

19 31. Therefore, Respondent violated NRS 624.302(6) and discipline is warranted pursuant to
20 NRS 624.300 and NAC 624.7251.

21 Eighth alleged violation: NRS 624.301(5) Failure to comply

22 32. Under NRS 624.301(5), a licensed contractor may be disciplined for failing to comply
23 without legal excuse on the part of a licensee to comply with the terms of a construction contract.

24 33. Here, credible evidence was provided by the Board's Notice of Hearing and Complaint
25 that Respondent failed to comply with terms of the Mattice contract.

26 34. Respondent offered no legal justification for failing to comply.

27 35. Therefore, Respondent violated NRS 624.301(5) and discipline is warranted pursuant to
28 NRS 624.300 and NAC 624.7251.

1 Ninth alleged violation: NRS 624.301(1) Abandonment

2 36. Under NRS 624.301(1), a licensed contractor may be disciplined for abandonment
3 without legal excuse of any construction project or operation.

4 37. Here, credible evidence was provided by the Board's Notice of Hearing and Complaint
5 that Respondent abandoned the Mattice project.

6 38. Respondent offered no legal justification for abandonment of the Mattice project.

7 39. Therefore, Respondent violated NRS 624.301(1) and discipline is warranted pursuant to
8 NRS 624.300 and NAC 624.7251.

9 Tenth alleged violation: NRS 624.301(2) Abandonment of a construction project

10 40. Under NRS 624.301(2), a licensed contractor may be disciplined for abandonment of a
11 construction project when the percentage of the project completed is less than the percentage of the total
12 price of the contract paid to the contractor at the time of abandonment.

13 41. Here, credible evidence was provided by the Board's Notice of Hearing and Complaint
14 that Respondent abandoned the Mattice project.

15 42. Respondent offered no legal justification for abandonment of the Mattice project.

16 43. Therefore, Respondent violated NRS 624.301(2) and discipline is warranted pursuant to
17 NRS 624.300 and NAC 624.7251.

18 Eleventh alleged violation: NRS 624.301(4) Failure to prosecute

19 44. Under NRS 624.301(4), a licensed contractor may be disciplined for failure without legal
20 excuse to prosecute a construction project or operation with reasonable diligence.

21 45. Here, credible evidence was provided by the Board's Notice of Hearing and Complaint
22 that Respondent failed to prosecute the Mattice project with reasonable diligence.

23 46. Respondent offered no legal justification for failure to prosecute the Mattice project with
24 reasonable diligence.

25 47. Therefore, Respondent violated NRS 624.301(4) and discipline is warranted pursuant to
26 NRS 624.300 and NAC 624.7251.

27 ///

1 Twelfth alleged violation: NRS 624.3012(1) Diversion of money

2 48. Under NRS 624.3012(1), a licensed contractor may be disciplined for diverting money or
3 property received for the completion of a specific construction project or for a specified purpose in the
4 completion of any construction project or operation to any other construction project or operation,
5 obligation or purpose.

6 49. Here, credible evidence was provided by the Board's Notice of Hearing and Complaint
7 that Respondent diverted money or property received for the completion of a specific construction
8 project.

9 50. Respondent offered no legal justification for diverting money.

10 51. Therefore, Respondent violated NRS 624.3012(1) and discipline is warranted pursuant to
11 NRS 624.300 and NAC 624.7251.

12 Thirteenth alleged violation: NRS 624.301(5) Failure to comply

13 52. Under NRS 624.301(5), a licensed contractor may be disciplined for failing to comply
14 without legal excuse on the part of a licensee to comply with the terms of a construction contract.

15 53. Here, credible evidence was provided by the Board's Notice of Hearing and Complaint
16 that Respondent failed to comply with the terms of the Cossavela contract.

17 54. Respondent offered no legal justification for failing to comply with the terms of the
18 Cossavela contract.

19 55. Therefore, Respondent violated NRS 624.301(5) and discipline is warranted pursuant to
20 NRS 624.300 and NAC 624.7251.

21 Fourteenth alleged violation: NRS 624.301(1) Abandonment

22 56. Under NRS 624.301(1), a licensed contractor may be disciplined for abandonment
23 without legal excuse of any construction project or operation.

24 57. Here, credible evidence was provided by the Board's Notice of Hearing and Complaint
25 that Respondent abandoned the Cossavela project.

26 58. Respondent offered no legal justification for abandonment of the Cossavela project.

27 59. Therefore, Respondent violated NRS 624.301(1) and discipline is warranted pursuant to
28 NRS 624.300 and NAC 624.7251.

1 Fifteenth alleged violation: NRS 624.301(4)) Failure to prosecute

2 60. Under NRS 624.301(4), a licensed contractor may be disciplined for failure without legal
3 excuse to prosecute a construction project or operation with reasonable diligence.

4 61. Here, credible evidence was provided by the Board's Notice of Hearing and Complaint
5 that Respondent failed to prosecute the Cossavela project with reasonable diligence.

6 62. Respondent offered no legal justification for failure to prosecute the Cossavela project
7 with reasonable diligence.

8 63. Therefore, Respondent violated NRS 624.301(4) and discipline is warranted pursuant to
9 NRS 624.300 and NAC 624.7251.

10 Sixteenth alleged violation: NRS 624.3012(1) Diversion of money

11 64. Under NRS 624.3012(1), a licensed contractor may be disciplined for diverting money or
12 property received for the completion of a specific construction project or for a specified purpose in the
13 completion of any construction project or operation to any other construction project or operation,
14 obligation or purpose.

15 65. Here, credible evidence was provided by the Board's Notice of Hearing and Complaint
16 that Respondent diverted money or property received for the completion of a specific construction
17 project.

18 66. Respondent offered no legal justification for diverting money.

19 67. Therefore, Respondent violated NRS 624.3012(1) and discipline is warranted pursuant to
20 NRS 624.300 and NAC 624.7251.

21 Seventeenth alleged violation: NRS 624.302(6) Failure to comply

22 68. Under NRS 624.302(6), a licensed contractor may be disciplined for failing to comply
23 with a written request by the Board or its designee for information or records, or obstructing or delaying
24 the providing of such information or records.

25 69. Here, credible evidence was provided by the Board's Notice of Hearing and Complaint
26 that Respondent failed to comply with a written request by the Board or its designee for information or
27 records.

28 70. Respondent offered no legal justification for failing to comply.

1 71. Therefore, Respondent violated NRS 624.302(6) and discipline is warranted pursuant to
2 NRS 624.300 and NAC 624.7251.

3 Eighteenth alleged violation: NRS 624.301(5) Failure to comply

4 72. Under NRS 624.301(5), a licensed contractor may be disciplined for failing to comply
5 without legal excuse on the part of a licensee to comply with the terms of a construction contract.

6 73. Here, credible evidence was provided by the Board's Notice of Hearing and Complaint
7 that the Respondent failed to comply with the terms of the Festinese contract.

8 74. Respondent offered no legal justification for failing to comply with the terms of the
9 Festinese contract.

10 75. Therefore, Respondent violated NRS 624.301(5) and discipline is warranted pursuant to
11 NRS 624.300 and NAC 624.7251.

12 Nineteenth alleged violation: NRS 624.301(1) Abandonment

13 76. Under NRS 624.301(1), a licensed contractor may be disciplined for abandonment
14 without legal excuse of any construction project or operation.

15 77. Here, credible evidence was provided by the Board's Notice of Hearing and Complaint
16 that Respondent abandoned the Festinese project.

17 78. Respondent offered no legal justification for abandonment of the Festinese project.

18 79. Therefore, Respondent violated NRS 624.301(1) and discipline is warranted pursuant to
19 NRS 624.300 and NAC 624.7251.

20 Twentieth alleged violation: NRS 624.301(2) Abandonment

21 80. Under NRS 624.301(2), a licensed contractor may be disciplined for abandonment of a
22 construction project when the percentage of the project completed is less than the percentage of the total
23 price of the contract paid to the contractor at the time of abandonment.

24 81. Here, credible evidence was provided by the Board's Notice of Hearing and Complaint
25 that Respondent abandoned the Festinese project when the percentage of the project completed is less
26 than the percentage of the total price of the contract paid to the contractor at the time of abandonment.

27 82. Respondent offered no legal justification for abandonment of the Festinese project.

1 83. Therefore, Respondent violated NRS 624.301(2) and discipline is warranted pursuant to
2 NRS 624.300 and NAC 624.7251.

3 Twenty-First alleged violation: NRS 624.301(4) Failure to prosecute a construction project

4 84. Under NRS 624.301(4), a licensed contractor may be disciplined for failure without legal
5 excuse to prosecute a construction project or operation with reasonable diligence.

6 85. Here, credible evidence was provided by the Board's Notice of Hearing and Complaint
7 that Respondent failed to prosecute the Festinese project with reasonable diligence.

8 86. Respondent offered no legal justification for failure to prosecute the Festinese project
9 with reasonable diligence.

10 87. Therefore, Respondent violated NRS 624.301(4) and discipline is warranted pursuant to
11 NRS 624.300 and NAC 624.7251.

12 Twenty-Second alleged violation: NRS 624.3012(1) Diversion of money

13 88. Under NRS 624.3012(1), a licensed contractor may be disciplined for diverting money or
14 property received for the completion of a specific construction project or for a specified purpose in the
15 completion of any construction project or operation to any other construction project or operation,
16 obligation or purpose.

17 89. Here, credible evidence was provided by the Board's Notice of Hearing and Complaint
18 that Respondent diverted money or property received for the completion of the Festinese project.

19 90. Respondent offered no legal justification for diverting money.

20 91. Therefore, Respondent violated NRS 624.3012(1) and discipline is warranted pursuant to
21 NRS 624.300 and NAC 624.7251.

22 Twenty-Third alleged violation: NRS 624.3017(1) Substandard workmanship

23 92. Under NRS 624.3017(1), a licensed contractor may be disciplined for failing to provide
24 workmanship which is commensurate with the standards of the trade in general.

25 93. Here, credible evidence was provided by the Board's Notice of Hearing and Complaint
26 that Respondent failed to provide workmanship which is commensurate with the standards of the trade in
27 general.
28

1 95. Respondent offered no legal justification for failing to provide workmanship which is
2 commensurate with the standards of the trade in general.

3 96. Therefore, Respondent violated NRS 624.3017(1) and discipline is warranted pursuant to
4 NRS 624.300 and NAC 624.7251.

5 Twenty-Fourth alleged violation: NRS 624.3013(5), as set forth in NAC 624.700(3)(a) Failure to correct

6 97. Under NRS 624.3013(5), as set forth in NAC 624.700(3)(a), a licensed contractor may be
7 disciplined for failure to comply with the Board's Notice to Correct.

8 98. Here, credible evidence was provided by the Board's Notice of Hearing and Complaint
9 that Respondent failed to comply with the Board's Notice to Correct.

10 99. Respondent offered no legal justification for failing to comply.

11 100. Therefore, Respondent violated NRS 624.3013(5), as set forth in NAC 624.700(3)(a) and
12 discipline is warranted pursuant to NRS 624.300 and NAC 624.7251.

13 Twenty-Fifth alleged violation: NRS 624.301(5) Failure to comply with terms of construction contract

14 101. Under NRS 624.301(5), a licensed contractor may be disciplined for failing to comply
15 without legal excuse on the part of a licensee to comply with the terms of a construction contract.

16 102. Here, credible evidence was provided by the Board's Notice of Hearing and Complaint
17 that Respondent failed to comply with the terms of the Hanlon contract.

18 103. Respondent offered no legal justification for failing to comply with the terms of the
19 Hanlon contract.

20 104. Therefore, Respondent violated NRS 624.301(5) and discipline is warranted pursuant to
21 NRS 624.300 and NAC 624.7251.

22 Twenty-Sixth alleged violation: NRS 624.301(1) Abandonment

23 105. Under NRS 624.301(1), a licensed contractor may be disciplined for abandonment
24 without legal excuse of any construction project or operation.

25 106. Here, credible evidence was provided by the Board's Notice of Hearing and Complaint
26 that Respondent abandoned the Hanlon project.

27 107. Respondent offered no legal justification for abandonment of the Hanlon project.
28

1 108. Therefore, Respondent violated NRS 624.301(1) and discipline is warranted pursuant to
2 NRS 624.300 and NAC 624.7251.

3 Twenty-Seventh alleged violation: Abandonment

4 109. Under NRS 624.301(2), a licensed contractor may be disciplined for abandonment of a
5 construction project when the percentage of the project completed is less than the percentage of the total
6 price of the contract paid to the contractor at the time of abandonment.

7 110. Here, credible evidence was provided by the Board's Notice of Hearing and Complaint
8 that Respondent abandoned the Hanlon project when the percentage of the project completed is less than
9 the percentage of the total price of the contract paid to the contractor at the time of abandonment.

10 111. Respondent offered no legal justification for abandonment.

11 112. Therefore, Respondent violated NRS 624.301(2) and discipline is warranted pursuant to
12 NRS 624.300 and NAC 624.7251.

13 Twenty-Eighth alleged violation: NRS 624.301(4)) Failure to prosecute a construction project

14 113. Under NRS 624.301(4), a licensed contractor may be disciplined for failure without legal
15 excuse to prosecute a construction project or operation with reasonable diligence.

16 114. Here, credible evidence was provided by the Board's Notice of Hearing and Complaint
17 that Respondent failed to prosecute the Hanlon project with reasonable diligence.

18 115. Respondent offered no legal justification for failure to prosecute the Hanlon project with
19 reasonable diligence.

20 116. Therefore, Respondent violated NRS 624.301(4) and discipline is warranted pursuant to
21 NRS 624.300 and NAC 624.7251.

22 Twenty-Ninth alleged violation: NRS 624.3012(1) Diversion of money

23 117. Under NRS 624.3012(1), a licensed contractor may be disciplined for diverting money or
24 property received for the completion of a specific construction project or for a specified purpose in the
25 completion of any construction project or operation to any other construction project or operation,
26 obligation or purpose.

27 118. Here, credible evidence was provided by the Board's Notice of Hearing and Complaint
28 that Respondent diverted money or property received for the completion of the Hanlon project.

1 119. Respondent offered no legal justification for diverting money.

2 120. Therefore, Respondent violated NRS 624.3012(1) and discipline is warranted pursuant to
3 NRS 624.300 and NAC 624.7251.

4 Thirtieth alleged violation: NRS 624.302(6) Failure to comply

5 121. Under NRS 624.302(6), a licensed contractor may be disciplined for failing to comply
6 with a written request by the Board or its designee for information or records, or obstructing or delaying
7 the providing of such information or records.

8 122. Here, credible evidence was provided by the Board's Notice of Hearing and Complaint
9 that Respondent failed to comply with a written request by the Board or its designee for information or
10 records.

11 123. Respondent offered no legal justification for failing to comply.

12 124. Therefore, Respondent violated NRS 624.302(6) and discipline is warranted pursuant to
13 NRS 624.300 and NAC 624.7251.

14 Thirty-First alleged violation: NRS 624.3013(3) Financial responsibility

15 125. Under NRS 624.3013(3) a licensed contractor may be disciplined for failing to establish
16 financial responsibility.

17 126. Here, credible evidence was provided by the Board's Notice of Hearing and Complaint
18 that Respondent failed to provide the required financial statement.

19 127. Respondent offered no legal justification for failing to comply.

20 128. Therefore, Respondent violated NRS 624.3013(3) and discipline is warranted pursuant to
21 NRS 624.300 and NAC 624.7251.

22 Thirty-Second alleged violation: NRS 624.3018(2) Joint liability

23 129. Under NRS 624.3018(2), a licensed contractor may be disciplined because the
24 performance by any partnership, corporation, firm or association of any act or omission constituting a
25 cause for disciplinary action likewise constitutes a cause for disciplinary action against any licensee who
26 is a member, officer, director or associate of such partnership, corporation, firm or association, and who
27 participated in such prohibited act or omission.

1 130. Here, credible evidence was provided by the Board that Richard Garriga Taylor is an
2 officer on all three licenses of Reno Patio & Fireplaces.

3 131. Therefore, Richard Garriga Taylor violated NRS 624.3018(2) and discipline is warranted
4 pursuant to NRS 624.300 and NAC 624.7251.
5

6 3.0 Decision and Order

7 Based on the foregoing Findings of Fact and Conclusions of Law, the administrative law judge
8 decides and orders:

9 1. Affordable Patios & Sunrooms, dba Reno Patio & Fireplaces, license numbers 56075,
10 71993 and 72332 are revoked.

11 2. Respondent was fined \$1,000 for each of the 1st, 2nd, 3rd, 4th, 5th 6th, 8th, 9th, 10th, 11th, 12th,
12 13th, 14th, 15th, 16th, 23rd, 25th, 26th, 27th, 28th, 29th Causes of Action in the Board's Complaint,
13 \$250 for each of the 7th, 17th, 30th Causes of Action in the Board's Complaint, \$10,000 for each of the
14 18th, 19th, 20th, 21st, 22nd Causes of Action of the Board's Complaint and \$500 for each of the 24th, 31st of
15 the Board's Complaint for a total fine of \$72,750.

16 3. Investigative costs were not assessed due to Respondent's Chapter 7 Bankruptcy filing.

17 4. ALJ Allison referred this matter to the District Attorney's office of Washoe County

18 5. Respondent shall reimburse the Residential Recovery Fund for any monies paid out as a
19 result of this action.

20 6. Respondent shall make restitution to all damaged parties prior to consideration of
21 relicensure by the Board.

22 7. Administrative fines imposed shall accrue interest as defined in NRS 624.300(11).

23 8. The discipline in this Default Order does not limit the Nevada State Contractors Board
24 from imposing further discipline upon Respondent on matters not yet presented to the Board.

25 ///

26 ///

27 ///

28 ///

9. Respondent has 30 days from receipt of this Default Order to seek judicial review pursuant to NRS 233B.130 through NRS 233B.150 and NRS 622.410.

Dated: January 23rd, 2020.

Margi G. Sherin

Margi A. Grein, Executive Officer
Nevada State Contractors Board

Certificate of Service

I hereby certify that I am an employee of the Nevada State Contractors Board and that I served the attached **Default Order** in the above entitled matter by placing a true copy thereof, enclosed in a sealed envelope with postage prepaid thereon, in the United States Post Office mail, addressed as follows:

Affordable Patios & Sunrooms, dba Reno Patio & Fireplaces
Richard Garriga Taylor, President and Qualified Individual
910 Glendale Avenue
Sparks, Nevada 89431

Certified Mail: 9171 9690 0935 0196 4877 74

Affordable Patios & Sunrooms, dba Reno Patio & Fireplaces
Richard Garriga Taylor, President and Qualified Individual
690 Sunshine Lane
Reno, Nevada 89502

Certified Mail: 9171 9690 0935 0196 4877 81

Chen Kwok
Kwok's Bistro
275 W. Street
Reno, Nevada 89501

Lewis Walter Mattice
11455 Verazae Drive
Reno, Nevada 89521

John Mark Cossavela
445 Kathy Terrace
Sparks, Nevada 89436

Monique M. Festinese
3347 Poco Rey Court
Sparks, Nevada 89436

Leslie Everett Zimmerman
906 Bates Avenue
Reno, Nevada 89502

Kate Hanlon
1413 Snow Summit Drive
Reno, Nevada 89523

I declare under penalty of perjury that the foregoing is true and correct and executed this 24 day of January, 2020.

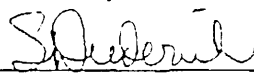

An Employee of the Nevada State Contractors Board

Exhibit 3

Exhibit 3

- 1.6 Acre Lot
- 3 Buildings, 24,195 SF
- Ample Parking
- Commercial Zoning - Multiple Uses Possible
- High Traffic Count
- Large Showroom, Offices & Storage

Phil@775-420-8764



**KRCH
REALTY**

775-359-0909

775-348-9600

[illegible]

Stove Pipe

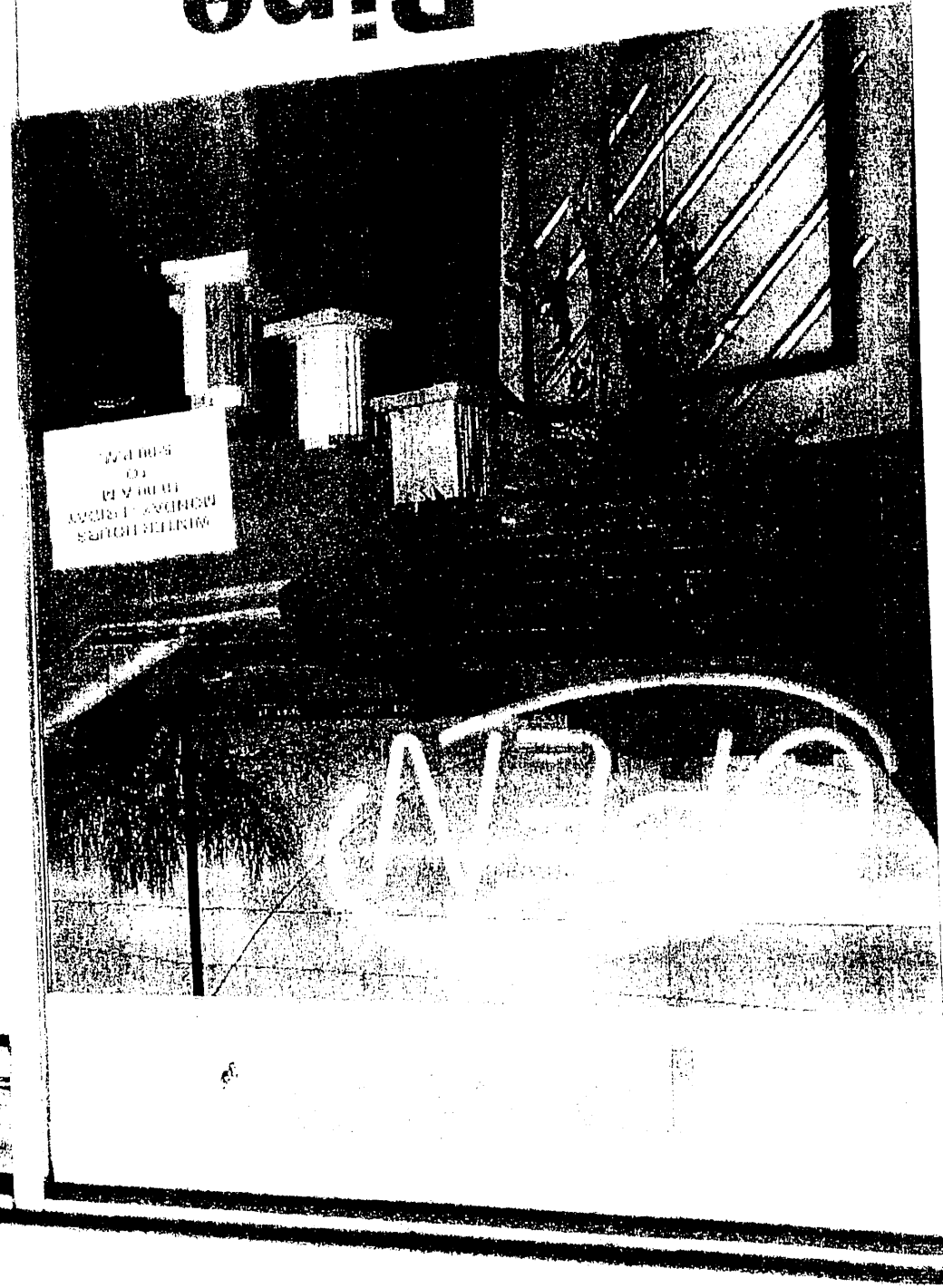
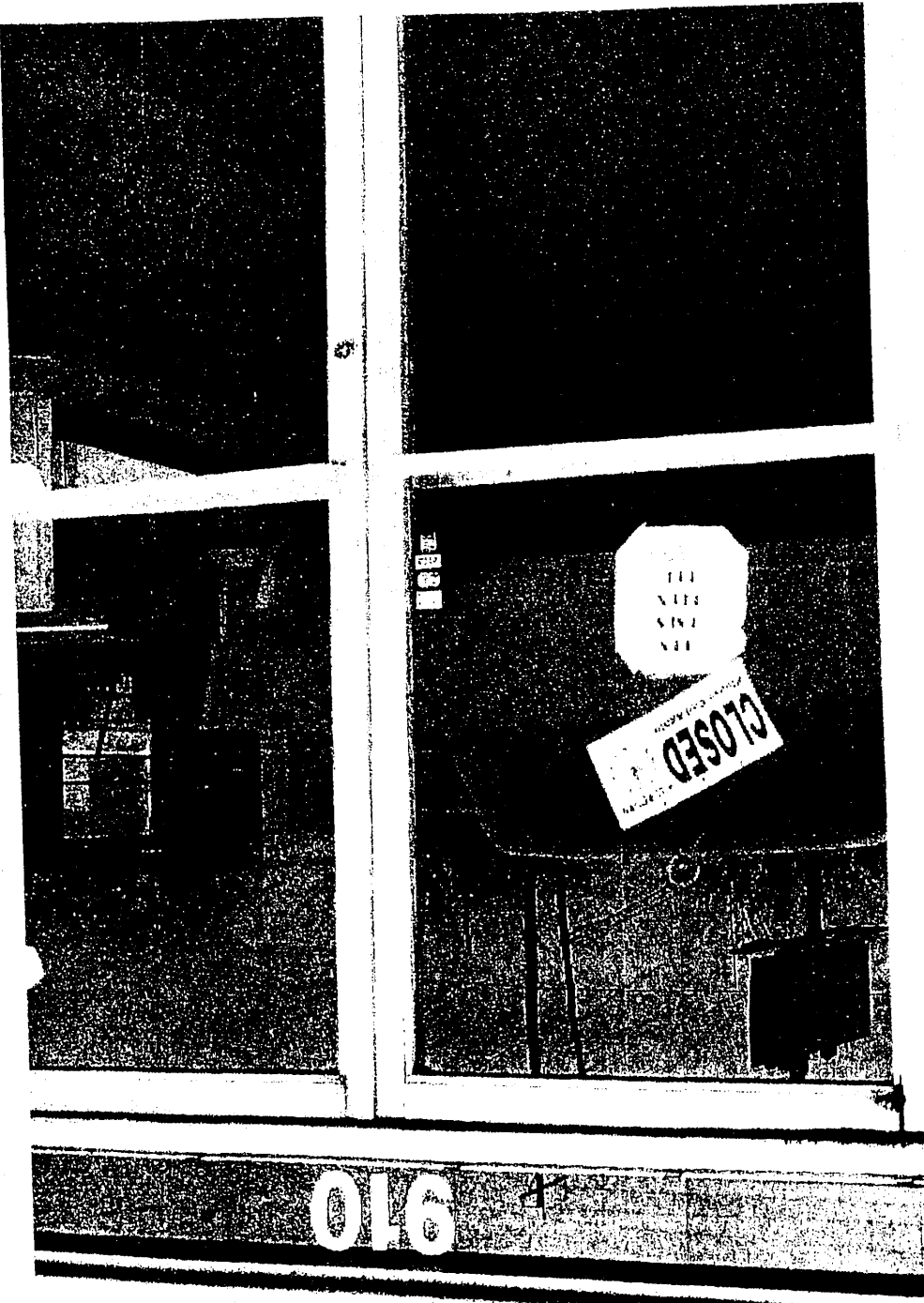


Exhibit 4

Exhibit 4

<u>Account Name</u>	<u>Account Number</u>	<u>Date of Statement</u>
Affordable Patios and Sunrooms	732000104	October 31, 2018

Personal Expenses

<u>Date</u>	<u>Amount</u>	<u>To Whom</u>
10/01/2018	\$1602.63	Quicken Loans MTG Payments
10/02/2018	\$400.00	Nevada Child Support
10/03/2018	\$118.00	William Ogara DDS
10/03/2018	\$ 65.45	SiriusXM
10/05/2018	\$ 9.99	iTunes
10/05/2018	\$ 89.99	Playstation Network
10/09/2018	\$.99	iTunes
10/09/2018	\$400.00	Somerset HOA (Reno Patio & Fireplaces check but is the Affordable Account)
10/12/2018	\$ 15.17	GoDaddy
10/17/2018	\$120.00	Washoe County Reg. Animal S. Reno
10/22/2018	\$ 15.17	GoDaddy
10/22/2018	\$ 59.99	Playstation Network
10/23/2018	\$207.66	Direct TV

<u>Affordable Patios and Sunrooms</u>	<u>732000104</u>	<u>November 30, 2018</u>
---------------------------------------	------------------	--------------------------

11/02/2018	\$1602.63	Quicken Loans MTG Payments
11/05/2018	\$118.00	William Ogara DDS
11/27/2018	\$ 16.54	Jimboys Tacos

<u>Affordable Patios and Sunrooms</u>	<u>732000104</u>	<u>December 31, 2018</u>
---------------------------------------	------------------	--------------------------

12/02/2018	\$1602.63	Quicken Loans MTG Payments
12/03/2018	\$ 65.45	SiriusXM
12/06/2018	\$118.00	William Ogara DDS
12/06/2018	\$ 9.99	iTunes
12/10/2018	\$.99	iTunes
12/14/2018	\$425.00	Somerset Owners Association (Reno Patio & Fireplaces check but is the Affordable Account)
12/24/2018	\$207.66	Direct TV

<u>Affordable Patios and Sunrooms</u>	<u>732000104</u>	<u>January 31, 2019</u>
---------------------------------------	------------------	-------------------------

01/02/2019	\$1602.63	Quicken Loans MTG Payments
01/02/2019	\$ 52.36	SiriusXM
01/04/2019	\$118.00	William Ogara DDS

01/04/2019	\$ 79.99	Playstation Network
01/07/2019	\$ 9.99	iTunes
01/07/2019	\$ 15.00	SiriusXM
01/09/2019	\$.99	iTunes
01/22/2019	\$ 59.99	Playstation Network
01/24/2019	\$214.66	Direct TV

Affordable Patios and Sunrooms 732000104 February 28, 2019

02/04/2019	\$1602.63	Quicken Loans MTG Payments
02/04/2019	\$ 53.36	SiriusXM
02/05/2019	\$ 4.99	iTunes
02/06/2019	\$118.00	William Ogara DDS
02/06/2019	\$ 9.99	iTunes
02/11/2019	\$.99	iTunes
02/25/2019	\$218.36	Direct TV
02/25/2019	\$ 99.98	Playstation Network

Affordable Patios and Sunrooms 732000104 March 29, 2019

03/04/2019	\$1602.63	Quicken Loans MTG Payments
03/04/2019	\$ 53.36	SiriusXM
03/06/2019	\$104.02	William Ogara DDS
03/06/2019	\$ 9.99	iTunes
03/11/2019	\$.99	iTunes
03/25/2019	\$216.51	Direct TV

Affordable Patios and Sunrooms 732000104 April 30, 2019

04/01/2019	\$1602.63	Quicken Loans MTG Payments
04/05/2019	\$ 9.99	iTunes
04/09/2019	\$.99	iTunes
04/24/2019	\$100.00	Trump Make America Great Again
04/29/2019	\$ 59.99	Playstation Network

Affordable Patios and Sunrooms 732000104 May 31, 2019

05/02/2019	\$1602.63	Quicken Loans MTG Payments
05/02/2019	\$ 53.36	SiriusXM
05/06/2019	\$ 9.99	iTunes
05/09/2019	\$.99	iTunes
05/15/2019	\$ 15.00	SiriusXM
05/28/2019	\$ 18.17	GoDaddy
05/28/2019	\$3800.00	Normans Rare Guitars

Affordable Patios and Sunrooms 732000104 June 28, 2019

06/03/2019	\$1602.63	Quicken Loans MTG Payments
06/03/2019	\$ 53.36	SiriusXM
06/05/2019	\$ 9.99	iTunes
06/10/2019	\$.99	iTunes
06/26/2019	\$ 597.35	Guitar Center.com
06/26/2019	\$ 885.44	Guitar Center.com
06/26/2019	\$1,101.97	Guitar Center.com
06/27/2019	\$ 99.00	Guitar Zoom Inc.

Affordable Patios and Sunrooms 732000104 July 31, 2019

07/02/2019	\$1625.01	Quicken Loans MTG Payments
07/02/2019	\$ 53.36	SiriusXM
07/03/2019	\$ 171.61	PayPal Shanghaiaos (high heels)
07/05/2019	\$ 1.99	iTunes
07/05/2019	\$ 9.99	iTunes
07/09/2019	\$.99	iTunes
07/15/2019	\$ 7.26	iTunes
07/16/2019	\$ 40.00	Clear Vision Check # 12324
07/23/2019	\$ 49.99	Playstation Network
07/25/2019	\$ 49.99	Playstation Network

Affordable Patios and Sunrooms 732000104 August 31, 2019

08/02/2019	\$1625.01	Quicken loans MTG payments
08/02/2019	\$ 53.36	SiriusXM
08/05/2019	\$ 1.99	iTunes
08/09/2019	\$.99	iTunes
08/12/2019	\$ 14.99	iTunes
08/19/2019	\$ 15.00	SiriusXM
08/19/2019	\$ 54.51	GoDaddy
08/27/2019	\$ 100.00	Wingfield Springs Community Association Check # 12389

Affordable Patios and Sunrooms 732000104 September 31, 2019

09/03/2019	\$ 53.36	SiriusMX
09/03/2019	\$ 1.99	iTunes
09/03/2019	\$1625.01	Quicken Loans MTG payments
09/09/2019	\$ 59.99	Playstation

Affordable Patios and Sunrooms 732000104 September 30, 2019

09/09/2019	\$.99	iTunes
09/12/2019	\$ 14.99	iTunes
09/16/2019	\$ 15.00	SiriusXM
09/26/2019	\$ 18.17	GoDaddy

Affordable Patios and Sunrooms 732000104 October 31, 2019

10/01/2019	\$ 56.24	Playstation Network
10/02/2019	\$ 1.99	iTunes
10/02/2019	\$1625.01	Quicken Loans MTG payments
10/03/2019	\$ 53.36	SiriusXM
10/07/2019	\$ 99.99	Playstation Network
10/09/2019	\$.99	iTunes

November 2019 – closed account

Exhibit 5

Exhibit 5

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Fictitious Firm Name - 148936

Filing Information

Filing Number

148936

Filing Date

12/08/2015 01:25:35 PM

Expiration Date

12/07/2020

Business Information

Business Name

RENO PATIO & FIREPLACES

Owner Information

Owner/Corporate Name

AFFORDABLE PATIOS & SUNROOMS

Owner/Corporate Name

RICHARD GARRIGA TAYLOR

Reel Page

7218 1283

Additional Information

Exhibit 6

Exhibit 6

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Fictitious Firm Name - 153095

Filing Information
Filing Number 153095
Filing Date 02/07/2017 11:48:35 AM
Expiration Date 02/07/2022

Business Information
Business Name MILL STREET AUTO

Owner Information

Owner/Corporate Name
RENO PATIO & FIREPLACES L.L.C.

Owner/Corporate Name
RICHARD GARRIGA TAYLOR

Reel Page
7220 673

Additional Information